

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Mail Processing Network  
Rationalization Service Changes, 2012

Docket No. N2012-1

PUBLIC REPRESENTATIVE'S SECOND SET  
OF INTERROGATORIES AND REQUESTS FOR PRODUCTION TO  
UNITED STATES POSTAL SERVICE WITNESS ROSENBERG (PR/USPS-T-3: 17-27)

(February 2, 2012)

Pursuant to 39 CFR 3001.25 through 3001.28, the Public Representative hereby submits the following interrogatories and requests for production of documents. Definitions and instructions included with the Public Representative's First Set of Interrogatories and Requests for Production to United States Postal Service, PR/USPS-1-3 dated December 21, 2011, are hereby incorporated by reference.

The Public Representative encourages the Postal Service to discuss issues of burden, privilege, relevance, or question clarity informally to obviate the need for objections or motions practice.

Respectfully Submitted,

/s/ Christopher J. Laver

Public Representative for  
Docket No. N2012-1

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**PR/USPS-T-3-17**

Please refer to page 2 of your testimony where you state: "Moreover, most DBCS equipment is utilized for DPS only. Since DCBS is only used during this window, DBCS machines are idle the remaining hours of each operating day. This downtime creates unused capacity in the network which can only be reduced through the relaxation of service standards (and corresponding relaxation of the four-hour DPS processing window". Please also refer to pages 12 and 22 of your testimony where you state: "Delivery Point Sequencing was assigned a 16 hour window"; and "In the future operating environment, the DBCS will be operating 20 hours a day with the remaining 4 hours dedicated to preventive maintenance," respectively.

- a. Please provide definitions for 'idle time' and 'down time' as used in your testimony.
- b. Please provide calculations supporting the assignment of a 16 hour DPS window.
- c. Please confirm that the longer DPS processing window is the basis for the increased DPS equipment utilization. If not confirmed, please explain.

**PR/USPS-T-3-18**

Please refer to page 5 of your testimony where you state: "The Microsoft Excel scoring tool takes a very general approach that allows the Postal Service to find efficiencies across many different mail processing operations, as well as transportation. The tool can be viewed as a giant calculator. It iterates through a combination of assumptions and outputs the final feasible computations into another worksheet that allows the modeler to compare several scenarios at once. " Please also refer to USPS-LR-N2012-1/14, Worksheet 'Assumptions'.

- a. Please define and explain the Hubbing workrate (min/truck/person) and provide the source for the value of '30' given in the table 'General'.
- b. Please, provide the source for the value of '302,400' letters per tray/truck given in the table 'General'.
- c. Please provide the source or calculation for the 'minimum cost per trip to anywhere' value set a '\$100,000' in the table 'General'.
- d. The 'transportation cost' in the scoring tool is set to \$1.80. In response to APWU/USPS-T3-9 you state that based on Highway Contract Route data the number was revised to \$1.82 per mile (see also your testimony, page 16, line 6. Please explain how a change, in the scoring tool inputs, from \$1.80 to \$1.82 would influence the results of the calculations.
- e. Please define Flats/SPBS space multiplier and provide the source or calculations for the value of '2.3333' in the table 'General'.
- f. Please define the term 'ADV' as used in the table 'Volume'.
- g. Please explain why the term '% Vol Change' is set to 100% in table 'Volume'.

- h. Please explain why the machine efficiency is a constant 80% for each operation listed, including any supporting calculations or data used to derive the figure.

**PR/USPS-T-3-19**

The following questions refer to the terms used in USPS-LR-14, 14\_Mail Processing Window Scoring Tool.xls, worksheets "Calculations" and "Time."

- a. Please explain why throughput times machine efficiency is used to calculate the total number of machines rather than TPF/hr.
- b. Please confirm that "daily workhours" is equal to daily workhours per facility. If not confirmed, please explain.
- c. Please refer to Cell N8. Please define the term "Coverage" as used in this worksheet.
- d. Please confirm that "throughput" is a measure of the ideal or maximum pieces that could be processed by a machine. If not confirmed, please provide an alternate definition.
- e. Please explain why the calculations for the number of required machines for different operations, are in large part determined by throughput, rather than a historical measure such as total pieces fed per hour.
- f. Please explain the purpose and function of the worksheet "TIME."

**PR/USPS-T-3-20**

Please refer to USPS-LR-15, 15\_LogicNet Model.xls, Sheet: "OverallCapacity."

- a. Please explain the meaning of column "L", Fixed Opening Cost.
- b. Please explain how and/or where the data was developed or obtained for each plant.
- c. Please explain why column "M", Fixed Operating Cost, is set to zero for each plant.

**PR/USPS-T-3-21**

Please refer to USPS-LR-15, 15\_LogicNet Model.xls, Sheet: "Demand."

- a. Please explain the meaning of Demand, Minimum Demand, and Revenue (columns G,H, and I).
- b. Please explain the units in which these variables are expressed.
- c. Please explain how and/or where the data was developed or obtained for each plant.
- d. Please explain how these variables are used in the LogicNet model analysis.

**PR/USPS-T-3-22**

Please refer to your testimony on page 7, footnote 6 and USPS-NP2012-1/LR 35.

- a. Please confirm that 'leg of transportation' as used in the footnote has the same meaning as mode of transportation. If not confirmed, please define leg of transportation.
- b. Please provide the query that returns 19,636 Post Office collection to cancellation processing site trips as well as the query that returns 18,022 destination processing plant to delivery unit trips as reported in the TCSS table.
- c. Please provide a library reference with the data from the Enterprise Data Warehouse that is used for calculations referred to in your testimony.

**PR/USPS-T-3-23**

Please refer to page 8, footnote 7 of your testimony where you state: "The distance of 66 miles was determined by analyzing distance thresholds based on a sensitivity analysis for minimum building size, the minimum trip cost, and tour length".

Please provide a library reference with the data and calculations underlying the sensitivity analysis.

**PR/USPS-T-3-24**

Please refer to page 13 of your testimony where you state: "For purposes of modeling, I assumed that each 3-digit ZIP Code workload could be transported up to 200 miles to be processed by a plant".

- a. What is the current average distance to a processing plant that 3-digit ZIP Code workload is transported? Please provide data with a source.
- b. Please, explain the derivation of the 200 mile assumption.

**PR/USPS-T-3-25**

On page 14 of your testimony you state: "The Logic Net model included 476 plants as potential processing sites. Those with no workload or no equipment were removed as potential processing sites." Please confirm that all existing plants, except those with no workload or no equipment, were included in the model. If not confirmed, please provide the percentage of plants (of the total processing plants) included in the model and explain how the sample was chosen.

**PR/USPS-T-3-26**

Please refer to page 16 of your testimony where you state: "A fixed component of \$100 was added to each 3-digit ZIP Code for plant lane. This fixed cost was added in to reflect more accurately the cost of local transportation. There is a fixed cost for each trip. Based on Logic Net's transportation cost algorithm, the \$100 per lane assumption most accurately represented the current ratio of transportation cost to mail processing costs". Also in response to APWU/USPS-T3-9 you state: "Test models were run with varying transportation fixed costs. The \$100 per plant lane was determined as the total costs more accurately estimated the ratio of transportation to mail processing costs".

Please provide a library reference with supporting calculations/tests/ models that support the fixed component of \$100.

**PR/USPS-T-3-27**

Please refer to page 18 of your testimony where you state: "For this strategic initiative, USPS Handbook AS-504, Space Requirements equipment square footage (which includes space for aisles and staging) was inflated by an additional twenty percent to ensure there was adequate staging room under this new concept when all volume is available at the start of the windows". Please also refer to the same page where father state: "The Model column is the AS-504 equipment square footage multiplied by an additional 25 percent used in our modeling to account for the additional staging space required under this new mail processing concept".

Please provide calculations/ sources in support of 20 and 25 per cent values.